**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH.**

**Regular Second Appeal No. 1386 of 2010 (O&M)
Date of Decision: May 16, 2019**

Haryana Urban Development Authority, Panchkula and another

......APPELLANTS

VERSUS

Sanjay Batra

.....RESPONDENT

CORAM:- HON'BLE MR. JUSTICE SURINDER GUPTA

Present: Mr. Kartar Singh Malik, Advocate
for the appellants.

Mr. Jagdish Manchanda, Advocate
for the respondent.

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SURINDER GUPTA, J.(Oral)

Heard.

Booth No. 30, Sector 9, Panchkula was allotted in the name of Mrs. Daizy Gupta and Mrs. Lalita Gupta by the appellants for a sum of ₹5,41,000/- 25% of the allotment price was payable at the time of allotment and remaining amount as per condition No. 5 of the allotment letter (Ex. PW1/B) was payable in 10 instalments with interest @ 10% per annum. The booth was re-allotted and transferred to plaintiff-Sanjay Batra vide order dated 25.09.1990 (Ex. PW1/C) which prescribed the condition that instalment shall include 10% interest on the balance amount from the date of offer of possession and in case of default, additional interest as per the prevalent policy of HUDA shall be payable.

The dispute arose between the parties as to whether the appellants are liable to charge interest @ 10% or 18% per annum as per its policy. Learned Ist Appellate Court relying on the observations in the cases titled as ***Haryana Urban Development Authority Versus Kirti Kumar and others, 2005(1), Haryana Rent Reporter, 148*** and ***Roochira Ceramics Vs. Haryana Urban Development Authority, 2001(1) PLJ, 109*** observed that where the allottee has committed default in payment of instalments interest can be charged @ 10% and not 18% per annum. Learned counsel for the appellant could not cite any other law or citations which provide that appellant can charge interest @ 18% per annum.

Learned counsel for the appellant has argued that the re-allotment letter in favour of respondent contains a term that appellant can charge interest, as per the prevalent policy of appellant-HUDA. As per policy of HUDA, it could charge penal interest @ 18% per annum, as such, interest claimed from plaintiff was as per terms of re-allotment letter.

The above arguments is devoid of any merit. The allotment/re-allotment letter carry a specific term regarding the interest payable by the allotte. The question of charging interest as per the policy of HUDA arises only when there is no specific mention about the rate of interest chargeable on the installments mentioned in the allotment or re-allotment letter.

I find no legal or factual infirmity in the judgment and decree passed by the Courts below, calling for any interference, consequently, this appeal has no merits.

Dismissed.

(SURINDER GUPTA)
JUDGE

May 16, 2019
Jyoti-II

Whether speaking/reasoned: Yes/No
Whether Reportable: Yes/No